

Tax reform is a very complicated, very difficult endeavor. True reform—even if it benefits our country and citizens broadly—creates short-term winners and losers. Today, the House of Representatives had the opportunity to vote on the Senate-passed extension of tax cuts. Unlike the Republican plan that actually raises taxes on 25 million families by \$1,000 on average by cutting the Child Tax Credit and the Earned income Tax Credit, and by reducing tax credits for education, the Senate-passed bill offered by House Democrats would give tax cuts to 100% of Americans on their first \$250,000 of income.

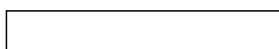
Instead of passing this sensible bill, Republicans want to extend tax cuts for the richest 2% of Americans, giving an annual cut of \$160,000 to the average millionaire and driving the country even further into unnecessary debt. It's not right.

Republicans also rejected my amendment that would have reinstated a sensible estate tax. My amendment would have protected family farms and small businesses without offering giveaways to super-wealthy estates. It would also have provided a measure of predictability to an area of tax law that has remained unsettled for 12 years.

Claims that letting the tax cuts expire for the richest 2% will hurt the economy are baseless. Under President Clinton, the richest 2% paid a higher rate than they do now and we saw 22 million jobs created during his presidency. Under President Bush, we saw only 5% of that job growth.

It's time to settle this issue, give all Americans a tax cut on the first \$250,000 they make, and not waste nearly a trillion dollars over ten years giving more handouts to millionaires.

**Democrats: Tax Cuts for Certainty and Fairness for Everyone**  
**GOP: Holds Middle Class & Small Business Hostage for the Richest 2%**



**Democratic Plan (H.R. 15)**

Republican Plan (H.R. 8)

Extend 2001 & 2003 Tax Cuts for the Middle Class

Yes.

Yes.

Extend 2001/2003 Tax Cuts for Families Above \$250,000

No. All taxpayers continue to get tax cuts first the

Yes. More tax breaks for the richest 2 percent, providing \$160,000 for the

EXTEND TAX CUTS FOR STUDENTS AND WORKING FAMILIES

YES . Continues current law on the American Opportunity Tax Credit for

No. Raises taxes on 25 million families by \$1,000 on average, by allow

## Small Business Expensing

<b>MORE.</b>	Provides \$297 million more than the GOP plan in small business tax
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<b>LESS.</b>		Reduces the amount that small
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## Deficit

<b>DOWN.</b>	Ending tax cuts for the richest 2% reduces the deficit by \$930 billion
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<b>UP.</b>	Increases the deficit by \$50 billion in one year for more tax cuts for
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## Estate Tax

<b>FISCALLY RESPONSIBLE.</b>	H.R. 16 ensures 99.7% of estates will not face any estate tax liability
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<b>MORE FOR A FEW.</b>		Provides more tax breaks averaged
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## Alternative Minimum Tax

1 Year extension
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2 Year extension

### **Capital Gains & Dividends**

Extends current 15% rate for those making up to \$250,000; returns to 20% for those making over \$250,000

Extends current special 15% rate for taxpayers, including those making over \$250,000